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# Scam on ice: Suit says 'adviser' bilked NHL players for millions

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The view from the pool deck at Arizona businessman Phillip A. Kenner's multi-million dollar hideaway in Cabo San Lucas, Mexico.



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An unlicensed financial adviser who bills himself as a "lifestyle coach" scammed several [NHL](#) players out of millions of dollars, according to sources familiar with the case and a lawsuit filed by former NHL star [Joe Juneau](#).

[Phillip A. Kenner](#), an [Arizona](#) businessman who described himself as a top-tier financial adviser but who had not been licensed since 2003 to buy or sell regulated securities, once claimed to be a high-powered money manager for [Rangers](#) great [Mark Messier](#) and the pop group 'N Sync. Kenner was deposed in the case this past week in [Los Angeles](#). Juneau has accused him of failing to provide even basic accounting information regarding the handling of the former [Washington Capitals](#) center's finances.

"Juneau has not received investment returns from these investments. Nor (has) he even had any written records of these investments as proof that they have, in fact, ever been made," says the lawsuit, which was filed in December in [U.S. District Court](#) in L.A. "Equally as disturbing, in rendering 'professional' services to Juneau, Kenner has committed myriad acts of negligence, failing to complete the most basic accounting tasks and consistently failing to provide Juneau with adequate documentation ... As a result of Kenner's malfeasance and neglect, Juneau cannot account for millions of dollars of his assets."

A source familiar with the case says Kenner and his associates, including former race car driver [Tommy Constantine](#), may have defrauded Juneau and other players out of as much as \$20 million. Sources say the [FBI](#) has been contacted about the matter.

It is a case that is bound to raise alarms among athletes who trust their multimillion-dollar fortunes to freewheeling and little-regulated advisers. The funds of 10 current and former [Major League Baseball](#) players, including the [Yankees'](#) [Johnny Damon](#) and [Xavier Nady](#) and the [Mets'](#) [Mike Pelfrey](#), were frozen in February after [Texas](#) financier [Robert Allen Stanford](#) was charged in an alleged \$8billion fraud. The [SEC](#) charged Stanford and three of his companies for orchestrating a fraudulent investment scheme centering on an \$8 billion certificate-of-deposit program.

In that case, U.S. District Court Judge Reed O'Connor entered a temporary restraining order, froze Stanford's assets, and appointed a receiver to marshal those assets. Damon told reporters during spring training in [Tampa](#) that he could not "pay bills right now," while Nady said he could not use a credit card to put a hold on a [New York City](#) condo he intended to purchase. Pelfrey said then that his funds had been frozen, too.

Meanwhile, Mets owner [Fred Wilpon](#) and his son Jeff were among the victims of [Bernard Madoff's](#) \$64.8 billion Ponzi scheme; so were [Dodgers](#) legend [Sandy Koufax](#), former Met [Tim Lincecum](#) and former [Islander](#) [Bob Nystrom](#).

Other defendants named in the Juneau lawsuit are described as "straw men" that worked with Kenner to scam Juneau out of millions that the player thought he was investing with them. Juneau's attorney [Michael Meeks](#) did not return calls and Kenner's lawyer [Thomas Griffin](#) declined comment.

Juneau isn't the only hockey player who says he was defrauded by Kenner: [Minnesota Wild](#) right wing [Owen Nolan](#) has filed for arbitration in Arizona, claiming he was scammed by the businessman, while [Jozef Stumpel](#), a 16-year NHL veteran who is playing in [Russia](#), filed a federal lawsuit in September 2008 that says Kenner borrowed \$2.5 million from him and has not paid back a penny.

Stumpel has since dropped the suit. His lawyer, [Jennifer McGrath](#), declined to comment. A source familiar with the case says Kenner flew to [Europe](#) and convinced Stumpel, a native of [Slovakia](#), to drop the legal action because it had damaged Kenner's ability to pay back the loan.

[Ethan Moreau](#) of the [Edmonton Oilers](#), meanwhile, filed a federal lawsuit in Arizona in December against Constantine, a longtime associate of Kenner and a defendant in the Juneau lawsuit. Moreau's suit claims the Oilers captain gave Constantine \$290,000 as a deposit to purchase two condominiums at Palms Place, the luxury resort owned by the Maloof family, which also owns the NBA's [Sacramento Kings](#). Constantine used the money to buy the condos for himself and has refused to refund the deposit, according to the lawsuit. Constantine was a race car driver whose now-defunct team was sponsored by the Palms.

According to [Arizona Corporate Commission](#) records, the owners of another [NBA](#) team, [Phoenix Suns](#) managing partner [Robert Sarver](#) and vice chairman [Sam Garvin](#), serve as directors with Constantine on the [Avalon Aviation Center Condominium Association](#), the governing body of a development adjacent to the [Scottsdale](#) airport.

Constantine, who was known as [Tommy Hormovitis](#) before he legally changed his name several years ago, pleaded guilty in 1993 in [Illinois](#) to one count of delivery of a controlled substance - cocaine - and was sentenced to six years in prison.

According to Juneau's lawsuit, Kenner and the other defendants committed fraud and breached his fiduciary duty by receiving kickbacks from companies that received Juneau's investment money. The suit also claims Kenner had ownership interests in other ventures that received Juneau's investments. It is also alleged that Kenner secretly withdrew funds from the former player's accounts without authorization, using the cash for his own use.

"During the course of the fiduciary relationship between Kenner and Juneau, Kenner set out on a course to exploit and take unfair advantage of Juneau, reaping significant financial and other benefits for himself without regard for Juneau," the lawsuit says. "Kenner preyed upon this personal relationship with Juneau, exploiting the complete trust Juneau placed in him for Kenner's own gain."

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